

Budgeting for sustainable growth

By **Kashif Mirza**

The government unveiled the budget for the fiscal year 2021-2022, with the outlay kept at Rs8,478 billion and the tax target set at an ambitious Rs5,829 billion. With certain limitations imposed by the ongoing covid-19 pandemic and the IMF programme, the budget is with an expansionary and feel-good approach, significantly increasing subsidies and incentives for big business, manufacturing, corporate market and agriculture sectors and proposing about 24 percent hike in revenues, including Rs 506 billion worth of additional measures.

The government has set the target of tax revenue at Rs 5,829 billion, non-tax revenue at Rs2,080 billion. Other than that, non-revenue receipts are expected to be Rs 4,497 billion, non-bank borrowing to touch Rs 1,241 billion, net external receipts to come in at Rs1,246 billion, bank borrowing to be Rs 681 billion and privatization proceeds to fetch Rs 252 billion. Current expenditures will include interest payments of Rs 3,060 billion, pensions of Rs 480 billion, defence services spending of Rs 1,370 billion and grants and transfers to provinces and other subsidies of Rs 1,168 billion. Apart from this, development expenditures under the federal Public Sector Development Programme have been allocated Rs 900 billion, and Rs 64 billion for development purposes.

In a year when, according to government data, 20.7 million people were rendered unemployed between March and October 2020, that the economy's productive power kept going is more than a miracle for a government that won the 2018 election on the promise of creating 10 million jobs. The data also shows that the government's decision to steer clear of a complete lockdown resulted in employment rising again after September 2020, and by the end of the year, Pakistan's workforce was once again at about 55 million. Official estimates show that Pakistan's economy has grown by almost 4 percent in the current fiscal year. Not only is this double what the government projected in July 2020, but it far outstrips the predictions of multilateral financial institutions, mainly the International Monetary Fund and the World Bank, whose growth projections for Pakistan were 1.3 and 1.5 percent, respectively.

The Economic Survey 2020-2021 indicates that much of the credit for the recovery goes to large scale manufacturing, which grew by about 9 percent overall. The government is targeting a GDP growth of 4.8 percent for FY22, compared to the 3.9 percent achieved in FY21; and if achieved, this will be the highest GDP growth since FY18. The government's stimulus packages in the shape of tax refunds for exporters, deferment of loans for small enterprises, and of course the Ehsaas programme payouts to the poorest sections of society, seem to have played a role in keeping production and demand going.

In terms of key features, tax collection has been targeted at a record Rs 5829 billion, but the emphasis is on reducing rates and extending the tax net. Even the tax collection target is almost 18% higher than this year's collection, once again ambitious and stringent, possibly leading to an increased debt burden. Moreover, work towards automation of the tax system and implementation of the track-and-trace system is likely to be a key focus in achieving higher tax revenue. How this revenue will be collected is somewhat vague, when the government is reducing sales tax in some areas.

There are also some business-friendly measures for small businesses, like raising the turnover tax ceiling quite drastically, from a turnover of Rs3 billion to Rs10 billion. The withholding tax on bank transactions has been removed, but whether all this happens depends entirely on how tax evasion is curtailed and the tax net widened. The strings attached to borrowing from the IMF are always directly linked to such budgetary indicators as tax collection, inflation, primary deficit, interest rate and currency value. The government also made some bold-steps by refusing the IMF demand to increase the tax burden on existing taxpayers and resisting the demand for electricity tariff increase, and eyeing on expanding the tax net through use of data and technology. The government has also resisted the IMF's demand to increase the component of petroleum levy in the budget. However, the government is expected to keep total subsidies at around Rs530 billion compared to last year's budget of Rs209 billion.

Reduction of duties and taxes on small vehicles will also help the middle class. It will also increase the production of small cars, creating some jobs as well as additional revenue for the FBR. The capital gains tax on securities has been reduced from 15 percent to 12.5 percent. Likewise, record allocations for different initiatives of the Ehsaas Programme, for afforestation, water security, the covid-19 vaccine, power infrastructure, reducing regional disparities and climate change are all steps in the right direction.

To improve the purchasing power of the people, the minimum wage has been increased to Rs 20,000 per month. Likewise, a 10 percent increase has been made in government pays and pensions. Admittedly, these increases are not sufficient to cope with inflation. The government is expecting some proceeds from privatization and some provincial surplus but would have to borrow at least Rs3200-3500 billion if it gets some additional revenue from the above-mentioned heads.

Unfortunately, the PTI Government has made no effort to reform the fragmented and highly complex tax system, remove policy distortions and reduce the fiscal deficit. Unfair taxation is the root cause of our multiple socio-economic ills, resulting in inequitable distribution of resources. Earlier, section 64C of Income Tax Ordinance 2001 was withdrawn on the dictates of the IMF before the release of a tranche of \$500 million, to make amendments in the Income Tax Ordinance 2001 immediately, which is a blatant violation of the Constitution.

Pakistan has a complex tax system of over 70 unique taxes and at least 37 government agencies administering these taxes, yet not collecting enough and pushing the country into a deeper debt trap. The balancing of books through more loans— going to the IMF for 22 times and 13 bail-outs in 60 years— to bridge the fiscal deficit has been the favourite mantra of all governments. Maintaining fiscal stability and improving fiscal health while adopting a pro-growth and expansionary fiscal policy will be a real challenge for the government.

Ensuring and implementing sustainable growth will require relaxation in taxes and duties, economic growth, improved employment, pandemic support measures and managing fiscal imbalances. Moreover, Infrastructure, agriculture, manufacturing sector, as well as incentives to stimulate education, construction and housing are expected to be on the priority. The budget 2021-22 will require focus on inclusive and sustainable growth fostering with investment.

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Countering 'Islamophobia'

By **Zahid Hussain**

LAST week's incident in Ontario, Canada, in which four members of a Muslim family were crushed to death in a premeditated attack has once again raised concerns over the rising incidence of 'Islamophobia'. It was perhaps the most gruesome murder of innocent people motivated by anti-Muslim hatred in Canada.

There has been a significant rise in such crimes with the ascendancy of ultra-right forces in many Western societies. The incidence of attacks on Muslims and their places of worship has become more frequent. It may not be the first time Muslims have been targeted in Canada but it was certainly the most heinous attack.

It was an act of terrorism driven by Islamophobia, declared Justin Trudeau, the Canadian prime minister. The 20-year-old suspect who mowed down the Afzal family had reportedly been motivated by the anti-Muslim campaign run by racist and white supremacist groups which have become increasingly active over the past few years. The tragedy has shaken Canada, which is one of the most culturally and racially inclusive countries in the world. The cabinet includes Muslim ministers.

What is described as 'Islamophobia' has, in fact, existed for a very long time in many Western countries. But anti-Muslim movements have seen a marked rise after 9/11 and have been further strengthened over the past few years with the surge of right-wing racist ideology. The anti-immigrant campaign has intensified anti-Muslim sentiments. The rise of Trumpism in the US and the emergence of populist nationalist regimes have also given impetus to hate-based politics.

Individual terrorist actions must not be allowed to strengthen extremist ideology on the other side.

'Islamophobia' is generally defined as "an outlook or worldview involving an unfounded dread and dislike of Muslims, which results in practices of exclusion and discrimination". But it has taken a more violent turn in recent years with terrorist attacks targeting the Muslim community and mosques. There are political as well as economic reasons for the rise of the anti-immigrant movement particularly in Europe that often takes an anti-Muslim turn.

Some violent actions by Muslim individuals influenced by extremist ideology too have been used by racist and ultra-right groups to whip up anti-Muslim sentiments as seen in France. Terms, like 'Islamic terrorism' are used in right-wing propaganda literature. Surely in some cases the state's policy of cultural discrimination has also contributed to anti-Muslim sentiments.

It's not just in the West; anti-Muslim politics have also gained momentum in other parts. For instance, India is one of the few countries where the government itself is directly involved in an anti-Muslim campaign. It is not just discriminatory policies but also the violence perpetrated by the ruling party that seeks to marginalise the Muslim population. The rise of violent anti-Muslim movements and the hate campaign run by racist groups on social media have certainly been a serious challenge for democracy around the world. But such hate campaigns and actions by extremist groups must not be equated with religious and civilisational wars. Individual terrorist actions must not be allowed to strengthen extremist ideology on the other side.

It should also be recognised that the strongest resistance to this violent ideology based on anti-Muslim prejudice has come from within Western democracies themselves. The strong public and government reaction against the 2019 Christchurch mosque killings carried out by a supporter of a white supremacist group is a case in point. New Zealand's Prime Minister Jacinda Ardern's handling of the horrific shootings won her widespread appreciation by the Muslim community. It was a terrorist attack and didn't involve any religiously motivated group.

Similarly, the Ontario killing has united in grief the widest section of Canadian society across religious and racial divides. Justin Trudeau's passionate speech condemning the incident as an act of terrorism and his government's pledge to take the toughest action against the hate campaign has certainly reassured the vast Muslim community in the country.

Of course, there is a need for a coordinated and concerted effort to counter the anti-Muslim campaign, but it should also be linked to the struggle against all other violent religious ideologies. Sadly, killing in the name of faith is far more prevalent in our country. Prime Minister Imran Khan has called for an international effort to counter growing 'Islamophobia' and has also raised the issue at various international forums including at the UN General Assembly. In a recent interview to a Canadian TV channel, he lamented the lack of response to the move for an internationally coordinated effort to combat 'Islamophobia'.

Of course, one cannot agree more with the prime minister that hate literature and anti-Muslim websites should be banned but his call would receive a greater response if he too made some efforts to curb the continuing rise of extremist faith-based ideology in the country. A policy of appeasement has given greater space to the groups openly preaching violence in the name of faith.

While the prime ministers of Canada and New Zealand stood with the Muslim community in their time of grief and took decisive actions against the perpetrators of the crime, our leaders are found missing when such tragedies occur in the country. How can we forget the time when the prime minister refused to meet the mourners of the victims of a Hazara massacre in Quetta declaring he would not be 'blackmailed'?

He finally went there to meet some members of the victims' family after the funeral had taken place. Such a callous attitude in the face of tragedy could hardly give him the kind of moral high ground needed to lead an international campaign against 'Islamophobia'. Hundreds of Hazaras have been killed over the last few years in this country in the name of faith.

The international community constantly censures Pakistan for victimisation of religious minorities. The growing misuse of blasphemy laws targeting both Muslims and non-Muslims are also cited as a manifestation of the extremist ideology gaining ground in the country. The PTI government's overdose of religiosity has imparted a sense of impunity to extremist religious groups. Will the international community heed the prime minister's appeal given this situation at home?

The writer is the author of No-Win War — The Paradox of US-Pakistan Relations in Afghanistan's Shadow.

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The game changers

By **Sharmeela Rassool | Androulla Kaminara**

WOMEN'S economic empowerment is not just a buzzword, it's a game-changing concept. Women's economic participation, financial inclusion, and labour force contributions have a direct influence on socioeconomic outcomes, prosperity and growth, and democratic resilience of nations. Financial autonomy empowers women to claim their agency in the private and public spheres of their lives. As women with financial autonomy, we can vouch that this is true. SDG 5 and Pakistan's principal planning document Vision 2025 emphasise enabling women's economic empowerment. The logic and arguments are clear.

The human development, economic, and business gains from empowering women are substantial — it is the right and smart thing to do since it has been proven to benefit everyone. When more women are economically empowered, economies grow, and nations are better placed to reap positive developmental outcomes. Take the example of Razia Sultana. "With my husband's salary as a factory worker, we were barely able to make ends meet. I started stitching footballs to raise my five children. Today, I run what is becoming an international business of producing sports uniform/wear now. My clients include football and basketball teams in the US, and rugby clubs in Australia. From 25 to 30 pieces a month initially, I now make 350 a month, turning a handsome profit of \$1,000. I did not allow the empowerment I gained to stay within the confines of my home. I have trained more than 200 other local women."

With increased access to economic resources, Razia was able to access better schooling for her children, go beyond earning a daily livelihood, and through her skills and learning, work towards breaking the vicious cycle of poverty and opening her own business.

One woman's story has set the momentum of social change in the lives of other women and the community.

Razia's story is typical for many women-owned businesses in Pakistan. They tend to be smaller in size, falling within the category of micro, small, and medium enterprises. For many women, entrepreneurship offers a path to economic empowerment, and it is incumbent upon the global community, including corporations, banks and governments, to help create the conditions that permit this. Public procurement spending ranges between 15 per cent and 30pc of the GDP of countries and corporate procurements are on average 64pc of the enterprise spending.

In my (Sharmeela Rassool) role as country representative of UN Women Pakistan, I very much look forward to engaging with multiple interlocutors to explore how we can together make our procurements more gender responsive.

To realise women's economic empowerment, efforts must go beyond increasing female labour force participation or giving more quota-based participation opportunities to women, eg in parliament. It must include providing women control over their time through the distribution of domestic care and family care duties, control over resources including inheritance and property rights, equal value for equal work — reducing the gender wage gap. A gradual change in women's employment trends is a positive wave slowly taking over Pakistan. Women are now working in banking, journalism, tourism, hospitality, IT, etc. and this is visible in job markets, particularly in urban centres and on online job portals. In the EU-Erasmus scholarship programme for Pakistan where candidates are selected purely on merit there were equal numbers of men and women being selected even though there were three times more men applying, indicating the high success rate of the women candidates.

As a female diplomat heading the Delegation of the European Union to Pakistan, I (Androulla Kaminara) believe that Covid-19 has exposed structural inequalities in every sphere, from health to the economy, security to social protection and this has disproportionately and negatively affected women. Hard-fought gains for women's rights and empowerment are being reversed. At the EU, responding to the pandemic is not just about narrowing long-standing inequalities, but also about building a resilient world with women at the centre of the economic recovery. So, through our collaborative efforts with the government and civil society, we are focusing on rebuilding livelihoods and uplifting vulnerable communities, especially women and youth. Our upcoming seven-year work plan also puts women and girls at the centre of our programming as this has been proven to produce the fastest development growth for all. I believe that growth is best when it is inclusive and sustainable.

Women's economic empowerment is indeed the way forward. Women's empowerment should be the centre of the agenda of the government and development partners as the development case is clear: When women are empowered, nations become more prosperous, the region more stable and the world a better place to live in.

Sharmeela Rassool is country representative, UN Women Pakistan. Androulla Kaminara is EU ambassador to Pakistan.

The US-China conflict and where it would lead to

By **Talat Masood**

The intensification of rivalry between United States and China has far-reaching global repercussions. It has been described as a new Cold War and is a reflection of how the new US administration has taken upon itself as the world's number one challenge or threat to its global supremacy. It is mobilising all its resources and bringing together its European and Asia Pacific allies to put up a joint front to thwart its rise. There is a sense of unease and nervousness and a compelling urgency in Washington to counter China lest its rise may gain momentum and become unstoppable. Indeed, the US assumption is partly true that China has the making and resolve of a future superpower. If in the coming decades Beijing maintains the steady course it will challenge US supremacy despite repeated assurances that it has no intention of doing so.

But the way Washington's reaction borders on paranoia. Perhaps the reason being that the US has remained unchallenged militarily or economically ever since the collapse of the Soviet Union in December 26, 1991.

The US, in order to undermine China's economy and rising military capabilities, has imposed multiple sanctions and blacklisted its very successful companies that were trading with the US on the basis that these were indulging in malpractices and stealing technology. By denying them any access it expects to retard China's technology and manufacturing capabilities. The US administration under former president Donald Trump had blacklisted 31 Chinese companies and declared several Chinese firms off-limits to American investors. These include telecom, construction and technology firms including China Mobile. The list has been further expanded to nearly 60 by the present US administration.

China has been compelled to take reciprocal steps and banned several US companies. Thus the world economic order that we witnessed over the last few decades is undergoing a major change and turbulence. How the global markets and giant multinationals and IT companies will adjust to these changes and how it will affect smaller economies and countries like Pakistan is of serious concern.

Clearly, it will require delicate balancing of strategic relations with China while cooperating with the US in matters of mutual interest. This will not be easy but Pakistan's Foreign Office and military have the experience and ability to manage in complex environments. This is an age where major nations realise that military dominance has to be accompanied by economic power. President Joe Biden's primary focus and strategy is to weaken China

economically by raising trade barriers, accusing it of malpractices and taking multiple measures to put brakes in China's economic rise.

The US allegation, generally shared by other European partners and Japan, is that Chinese companies do not adhere to agreed international norms and practices in doing business. This may be true in a few cases but this is not peculiar to China and many Western and other nations have been accused of similar charges when they tried to dominate the world market.

As China's economic capability increases and tensions between the US and China rise, it is likely that Beijing that has been satisfied with a modest nuclear capability of anywhere between 250 to 350 weapons may decide to upgrade and increase two or three times its nuclear arsenal by the next decade. Obviously, this is miniscule in comparison with the US and Russian nuclear arsenals, but would reflect a more aggressive trend, giving a message that it will not be intimidated.

Moreover, according to experts China has made rapid progress in build-up of its medium-range missiles, with multiple warheads that are now more accurate and lethal. China is also building and modernising its sea based and bomber nuclear forces, but these would take time. Obviously, all these developments would present organisational as well as technological challenges and take time to fully mature.

It was expected that as China's military power increased it would have been drawn in these discussions at a certain stage to ensure strategic stability. Apparently, China has been reluctant to be a part of any global strategic consensus considering that its nuclear arsenal is very small (about 5%) in comparison with the two nuclear major powers. It does not want to get constrained by associating with them at this stage. And the US considers its missile defence shield will take care of China's threat as well.

Unfortunately, former president Trump was very dismissive about arms control and international treaties. Arms control received a setback when the US withdrew from the arms-reduction negotiations with Russia during Trump's administration.

At present, in America the assumption that it will always remain number one is being challenged. It is an interesting debate and serves as a wake-up call to take China's rise seriously at multiple levels. In any case, history is full of examples when nations at the pinnacle have been replaced by others. The other pertinent question is that just as the US does not want China to engage in unfair practices to gain economic ascendancy so should Washington not pursue policies to thwart China's rise through unfair political, economic and strategic means. Mobilising and putting a common front to protect the world economic order and practices is perfectly in order but building a wall to prevent the rise of China's economic power is another.

When Trump threw aside all treaties and conventions and pursued an increasingly unilateralist path, that gave the US some immediate advantages. But was that ethically

right and not a breach of sorts? This may not be analogous to the present China's actions but illustrates that there are different standards of viewing issues.

The fallout of the current economic, trade and strategic confrontation between Washington and China will have serious consequences for the world. It will hurt the global economy adversely and political tensions will increase. The US, by spreading the narrative that China is being deceptive when it claims its rise will be peaceful, changes the entire paradigm which the world was taking for granted.

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Modi's movies

By **Rafia Zakaria**

THE world knows India through its movies. For more than a century, most of South Asia has been humming Bollywood tunes, mimicking Bollywood actors and awaiting the next blockbuster with rapt anticipation.

The reach of Bollywood stretches beyond the subcontinent; diehard (and rude) American fans gang up and troll people who do not agree with their choice of the best Bollywood film of all time, and Egyptians, Nigerians and millions of others around the world have similarly gyrated to its dance numbers. Obviously, they have also gotten to know, at least to the extent possible through the screen, the country that exports such rousing entertainment to so many.

This may all change very soon. In the weeks and months to come, operatives of Prime Minister Modi's Bharatiya Janata Party are increasingly throttling India's multibillion-dollar film industry that makes more movies a year than even Hollywood in the United States. Specifically, there are two things that the BJP does not quite appreciate about the movies these days. First is the fact that the triumvirate of the Khans — Shahrukh, Aamir and Salman — have ruled the roost, wielding enormous power over what movies get made, who makes it big and what themes are emergent in India's film industry.

Over the years, since the inception of Prime Minister Modi's government in 2014, and with much greater zeal since his re-election in 2019, the BJP has gone head to head against Bollywood. Movies which tell the stories of Muslim conquest and Mughal rule (such as Jodhaa Akbar) are not easy to do, and ones such as Padmavaat have garnered tremendous controversy.

Bollywood movie producers have learned the hard way that the easiest way to get a movie past meddling BJP censors is to please the BJP. As a consequence, low-budget films regurgitate improbable dramas in which India dominates over Pakistan; the patriotic and heroic are, all of them, Hindu and fanatically so.

In recent days, as the Modi government has confronted the latest deadly and crushing surge of the coronavirus pandemic, the demand to have helpful instruments of propaganda has surged. Like Goebbels, the Nazi administrator who presaged the use of moviemaking as part of an ideological agenda, Modi bhakts seem to have reached similar, if belated, conclusions. The television and print media in India has already been beaten into submission such that the slang term for it is 'Godi' (lap) media', referring to how cosy Indian journalists have become with Modi's Hindu supremacist agenda.

Now Bollywood megastars and mega producers must be transformed into 'Godiwood'. It would be led by someone other than the Khans and their ilk and would produce endless hours of formulaic movies whose entire purpose would be to extol the virtues of Prime Minister Modi and his government and re-familiarise a once-secular Indian audience with

arcane myths and tales that could be connected to the Vedas or the BJP agenda. It is likely that Kangana Ranaut, who has expressed a desire to go to the border and attack Pakistan, and Priyanka Chopra, who has hugged and giggled with Modi at one of 20 wedding-related events, could star in the ones that were left.

It would be funny if it were not true. When protests broke out over India's new citizenship laws, the Khans for all their power were afraid to speak out despite the fact that the new law primarily snatches citizenship from India's Muslims. Whatever little they could say was useless in sating the bhakts; needless to say, the citizenship law passed.

Modi needs to produce a distraction for his long-suffering and Covid-19 traumatised Indian population. For weeks, so many have had to endure more tragedy and loss of life than most people see in a lifetime; worse still, from the BJP perspective, all Indians who had happily drunk the Modi miracle potion have had a bitter dose of reality. The country still has millions of poor, the health infrastructure is non-existent, there is corruption at every level; these are just some of the truths they may have become reacquainted with.

An entertainment machinery is required to distract such a stricken population; the answer, Godiwood. With celebrities frightened away by intrusive audits, threats of arrests, censorship, etc., Godiwood could produce the same song and dance spectacles but with a pointed goal: the glorification of the Hindu supremacist state that the prime minister has almost created.

Fascists always seek to control cultural production in a country in order to realise the complete and centralised control of power that permits them to dominate everything. If one watches the Godi media, it is difficult not to wonder how so many in the Indian population can swallow such obviously concocted praise songs being presented as the day's news. The time between newscasts is taken up by bizarre and seemingly endless 'debates', in which nearly everyone screams at each other in their efforts to show just how much in Modi's godi they are.

Godiwood will be very similar, one assumes; there will more of a focus on religious themes, the ills of 'Hinduphobia' (which, by definition, could't exist in a Hindu-majority country where Hindus control everything), the depredations of Pakistan, the ignominy of all Muslim rulers of the past. If Bollywood was light, entertaining, funny and seductive, Godiwood, designed to please its audience of one, promises to be tedious and banal. You can force creative people to do what you want them to do, you cant force them to love it. Ironically, then, while the independent Bollywood was a fantastic and ubiquitous emblem of India's cultural depth and relevance, Godiwood will likely be exactly (and boringly) just the opposite. If the former stood for a democratic and endlessly fascinating country, the latter is but a hideous and apologetic husk of a project presented to a duped population and those who best do their master's bidding.

The writer is an attorney teaching constitutional law and political philosophy.

After IIOJK, now Lakshadweep

By **Masud Ahmad Khan**

With a union of 29 states and seven union territories including 1300 islands, India is the second most populated country in the world. Muslims are the second largest minority and constitute 13 percent of the population. The majority Muslims live in IIOJK where the ratio is over 90 percent followed by Lakshadweep Islands where 97 percent of the population is Muslim.

Nowadays, Lakshadweep is in the news across the globe; let us have a look at its history and recent developments. Lakshadweep is the smallest union territory, a group of 36 islands scattered over 78000 square kilometres of the Arabian Sea, west of the Kerala state and north of Maldives. The population is approximately one lac and composed of mostly tribal and scheduled castes and the area is 32 square kilometres. The total area of the islands is 32 square kilometres and the biggest island is no more than 4.5 kilometres across. The language is Malayalam with Arabic influence. Its capital is Kavaratti, and the islands are located 200 to 400 kilometres west of Kerala coast, linked with the mainland through helicopters, ships and airlines. There is a runway on the 7.6-kilometre-long Agatti Island and is an hour's flight from Cochin, Kerala.

According to media reports, settlements on the island were done during the rule of the last ruler of Kerala, Cheraman Perumal, who converted to Islam as a result of Arab merchants visiting the islands. It was because of these Arab merchants who preached Islam, which led to the conversion of the islanders to Islam. In 1498, the Portuguese occupied the islands and built a fort to control trade. The islands remained under the control of the Sultan of Mysore, (Karnataka) Haider Ali and later Tipu Sultan. After the battle of Srirangapatana in 1799, the islands were annexed by the British East India Company.

It was a Muslim-governed princely state which should have been given the right to join Pakistan or India. However, the British handed it over to India without asking the island's 97 percent Muslim majority population. It was Vallabhbhai, the then deputy prime minister of India who ordered security forces from Kerala to immediately take over possession of the islands. According to the Indian media, Pakistan did make an effort soon after independence and sent a naval ship to the islands but there is no proof of this. It was made a part of union territory in 1956 and named Lakshadweep in 1973 from the old name Laccadive, Minicoy and Amindivi Islands.

Lakshadweep means a 'hundred-thousand islands' in the Malayalam language. The islands have strategic importance for India similar to the Andaman Island in the eastern coast. The geographical area of the islands gives India 20,000 kilometres of territorial

waters and an Exclusive Economic Zone (EEZ) of 400,000 square kilometres. India has a tactical naval outpost in Lakshadweep at Androth Island which can be converted into a full-fledged naval base at a later stage. In addition, naval detachments are also placed at Kavaratti, Minicoy and Agatti. Ships are being placed on Lakshadweep Island to enhance surveillance and monitor the Sea Lines of Communication (SLOC).

A number of international shipping lanes pass close to these islands. India is planning to build a forward air base in the islands that would give the Indian Air Force (IAF) an extended combat radius. India is afraid of growing Chinese presence/influence in Seychelles, Mauritius, Maldives and Sri Lanka; therefore, they would develop a naval outpost for vigilance, maritime surveillance and patrolling which would give better reach. The recent situation took an ugly turn when the union government appointed Praful Khoda Patel, son of a former Rashtriya Swayamsevak Sangh (RSS) member as administrator of Lakshadweep contrary to practice of appointing Indian administrative service officers. Patel, is a Gujarati a close aide of prime minister Modi and was home minister of the Gujarat while Modi was chief minister. The massacre in Gujarat was pre-planned as the state government and the police were reportedly part of the planning with the consent of the then chief minister Modi.

Immediately on taking over control of the Muslim majority islands, he announced series of some extraordinary decisions that sparked protest across the islands. The following are decisions and acts to which there is a strong opposition and resistance. The first act is the Lakshadweep Panchayat Regulation 2021 and according to which individuals—those having more than two children—will be ineligible for contesting the panchayat elections; an attempt to control the growing Muslims population in the Islands. Secondly, the Animal Preservation Regulation 2021 bans the slaughter of cows, contrary to 97 percent Muslim population who use beef as a part of their diet. It is mandatory for the islanders to get a license for killing animals and the aim is clear; to stop the killing of cows.

The Lakshadweep Development Authority Regulation 2021 permits the administration to grab any one's land on the pretext of development purposes. This act gives administrative powers to renew/relocate islanders from their properties. Fifthly, the administration can detain any islander without any warrant or authority which has been called a 'gunda' act. There was not a single case of COVID-19 however, the way it was handled by new administrators led to a surge in cases of COVID when changes were made in the quarantine policies allowing tourists.

The fear of locals is that the demography will be changed by calling outsiders to settle in the islands and also threaten their culture and traditions. Unfortunately, with the BJP in power, Muslims across India are increasingly facing discrimination since 2014 when the BJP came into power.

Turning a challenge into an opportunity

By **Dr Zia ul Haque Shamsi**

When COVID-19 first appeared in the city of Wuhan, China in November 2019, most of the western countries were seen criticising the Chinese government for poor governance and laboratory failure. However, when this menace first hit the western shores, China was still the centre of criticism.

Now, some eighteen months down the line, China is rescuing the world with its knowledge on the subject and the development of the varieties of vaccines, which are being flown across the globe. Pakistan, no doubt is one of the beneficiaries of Chinese generosity, perhaps because it stood by China when the whole world was criticising it, and secondly, due to its long-standing friendship of strategic significance and thirdly because Pakistan participated in the trials of Chinese vaccines in the development phase.

How did China turn around this unique challenge into an opportunity to win over the world? China is one of the oldest civilisations and cherishes its rich cultural heritage. The people and the government of China love to read and learn from Confucius and Sun Tzu. During the pandemic, the Chinese government reopened the pages of Sun Tzu's precepts: "Opportunities multiply as they are seized." From then on, the Chinese worked relentlessly on multiple fronts: (a) Arrest the spread of the disease through a strict lockdown (It was reported by western media that people were physically locked inside their homes and food and medicines were dropped at their doorsteps). (b) Build capacity to handle the patients—temporary structures were created overnight as isolation and treatment centres; perhaps only the Chinese could do that at that speed and vigour, because bureaucratic approvals were not involved. (c) Control the number of deaths by aggressive treatment and extreme care—the western media reported that Chinese are not testing enough, nor are they reporting the number of dead properly. (d) Develop the vaccine as soon as possible—the government supported research laboratories in the process without any political or bureaucratic hurdles. So far, Chinese companies have developed and tested Sinovac, CoronaVac, Sinopharm, and CanSino Biologics. These vaccines are already approved and deployed in a number of countries with promising results. However, many more are in the test and trials stage.

Till date, China has reported less than 5000 deaths as against 572,000 in the United States, 391,000 in Brazil, 127,000 in UK, 195,000 in India, 119,000 in Italy and 103,000 in France, to mention a few.

The pandemic hit the Chinese economy first due to strict lockdown measures and growth dropped to 2.3 percent in the first half of 2020 but recovered towards the end of the year

to nearly 6.5 percent again. Likewise the manufacturing sector has recovered due to effective governmental support for the businesses in the wake of COVID-19 measures. According to Karishma Vaswani, "China's economy has seen a strong rebound, while the rest of the world struggles with anaemic demand, millions of job losses, and businesses shutting down." China is expected to overtake the US as the world's largest economy by 2028, earlier than initial estimates.

However, the problem with the US and its western allies is that they do not like Chinese examples, and therefore do not want to learn from Chinese experience and expertise. Pakistan and Pakistanis have no such apprehensions. The people of Pakistan participated in the tests and trials of the Chinese vaccines and today they are reaping the benefits of that support. Sinovac and Sinopharm are used in all government's purpose-built COVID Centres and there are no complaints of any reaction or side effects so far. Moreover, M/s Searle Company has concluded an agreement with China's Livzon Mapharm Inc., for manufacturing novel corona vaccine in Pakistan. Also, Pakistan has started producing the Chinese CanSino vaccine locally. It is important to mention that the Drug Regulatory Authority of Pakistan (DRAP) has approved four vaccines for use in the country—China's Sinopharm and Cansino, Russia's Sputnik V and Oxford University's AstraZeneca.

There is no doubt that COVID-19 has shaken the world, particularly the developed world with the level of devastation it has caused in their society and badly exposed the health system. It remains the best in the world, and I am certain that policymakers in western capitals could learn from Chinese strategy of converting an unknown challenge into an opportunity to identify the gaps in the systems of governance, particularly old homes.

India at this time needs to be helped and it must accept the support announced by China, Russia, and Pakistan, even if it has politico-military conflicts with its neighbouring countries. India must not wait for US support due to an emergency-like situation in the streets of some of the large cities which are running out of oxygen, hospital beds, ventilators, and even places for cremations.

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